

FINAL SUPPORTING STATEMENT
FOR

SURVEY OF NRC MATERIALS LICENSEES TO SUPPORT RULEMAKING FOR NRC'S
SMALL ENTITY SIZE STANDARDS

(3150-XXXX)

NEW

Description of the Information Collection

The Nuclear Regulatory Commission (NRC) is responsible for the licensing and regulation of source, byproduct, and special nuclear material in a manner which will protect the public health and safety, national security, and the environment. The majority of NRC licensees are materials licensees who are engaged in numerous activities involving the use of nuclear material that are regulated by the NRC. NRC licensees are grouped into categories in accordance with their use of nuclear material. It is possible to find many industries represented in a given category of material's user. Therefore, it is not possible to align NRC licensees with Small Business Administration (SBA) size standards which are based on North American Industry Classification System (NAICS). In addition, the agency's standards differ from those used by the SBA because of the need to recover 90 percent of the annual budget through fees, as required by the Omnibus Budget Reconciliations Act of 1990 (OBRA-90).

The inability to match NRC licensees to existing SBA criteria for determining small entities led the NRC to survey its licensees in order to acquire economic data that will enable the NRC to ensure the appropriate definition of a small entity within the nuclear regulatory context. Since the agency has not surveyed its materials licensees since 1993, the staff is conducting another survey to gather financial data to determine if a change to the size standards is needed. NRC materials licensees are being asked to complete an online questionnaire which requests information such as number of employees, and annual receipts.

A. JUSTIFICATION

1. Need for and Practical Utility of the Collection of Information

The NRC has its own standards for categorizing small business size entities. NRC non-manufacturing licensees with average gross receipts equal to or less than \$7 million, manufacturing entities that have an average of 500 employees or fewer, small governmental jurisdictions with a population less than 50,000, and education institutions that are not state or publicly supported and have 500 employees or fewer pay a lower fee of \$4,100. These are noted in Title 10 of the *Code of Federal Regulations* (10 CFR) § 2.810, "NRC size standards." The agency's standards differ from those used by the SBA because it is difficult to align NRC licensees with SBA size standards and the OBRA-90 requirement for NRC to recover 90 percent of the annual budget through fees.

The agency collected information through a survey in 1993. This survey of NRC materials licensees confirmed the need for NRC to have its own size standards. Since then, the NRC has updated the size standards via a direct final fee rule (Agencywide Documents Access and Management System under Accession No. ML120740377) in response to changes by SBA and their standards.

Since the agency has not surveyed its materials licensees since 1993, the staff will conduct a survey to gather financial data to determine if a change to the size standards is needed. The results of the analysis will be used to provide a recommendation to the Commission that is backed with sound empirical data. Without conducting a survey, the NRC staff does not have the data needed to determine the impact of shifting from the current nuclear industry-specific standards to those of the SBA.

2. Agency Use of Information

The NRC staff plans to use the data collected to support a rulemaking that would either 1) retain the NRC's industry-specific size standard, amend it to account for inflation, and establish a review period and methodology for re-evaluating the standard to determine future inflationary impacts; or 2) require licensees to consult the size standards set by SBA.

3. Reduction of Burden Through Information Technology

There are no legal obstacles to reducing the burden associated with this information collection. The NRC encourages respondents to use information technology when it would be beneficial to them. NRC issued a regulation on October 10, 2003 (68 FR 58791), consistent with the Government Paperwork Elimination Act, which allows its licensees, vendors, applicants, and members of the public the option to make submissions electronically via CD-ROM, e-mail, special Web-based interface, or other means. It is estimated that approximately 100 percent of the potential responses are filed electronically.

4. Effort to Identify Duplication and Use Similar Information

No sources of similar information are available. There is no duplication of requirements.

5. Effort to Reduce Small Business Burden

Efforts to reduce the burden on small businesses include making the information collection survey a voluntary activity, only asking for one respondent from each organization, and making the survey available through a web-based interface. Approximately 30 percent of respondents are estimated to be small businesses.

6. Consequences to Federal Program or Policy Activities if the Collection Is Not Conducted or Is Conducted Less Frequently

This information collection activity supports review of the NRC's standards for categorizing small business entities. Information on this subject has not been collected since 1993. If this information collection is not conducted then the NRC

will not have up-to-date data from its licensees to support decision-making about small business entity size standards, such as to align size standards with the SBA or adjust size standards to account for inflation.

7. Circumstances Which Justify Variation from OMB Guidelines

There are no variations from OMB guidelines.

8. Consultations Outside the NRC

An opportunity for a 60-day public comment on the information collection requirements for this clearance package was published in the *Federal Register* on March 20, 2019 (84 FR 54). The NRC received one public comment from a concerned citizen demanding that the NRC continue to make it so that even smaller items have to be properly recorded when shipped or used, and that this would make reference data less of a hassle to find and could help with budget concerns. These matters are outside of the scope of this information collection. The primary purpose of the FRN was for NRC to seek public comments on its intention to request the OMB's approval for an information collection on conducting a survey of NRC materials licensees to support a potential rulemaking for NRC's small entity size standards. In addition, the NRC contacted 9 licensees and there were 0 comments received from the 9 licensees.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of Information

Confidential and proprietary information is protected in accordance with NRC regulations at 10 CFR 9.17(a) and 10 CFR 2.390(b). However, no information normally considered confidential or proprietary is requested.

11. Justification for Sensitive Questions

Not applicable.

12. Estimated Burden and Burden Hour Cost

The \$275 hourly rate used in the burden estimates is based on the NRC's FY 2018 professional hourly rate as noted in 10 CFR 170.20, "Average cost per professional staff-hour." For more information on the basis of this rate, see the Revision of Fee Schedules; Fee Recovery for Fiscal Year 2018 (83 FR 29622, June 25, 2018).

The total estimated annualized burden is approximately 152 hours and estimated annualized burden hour cost is approximately \$41,800 (152 hrs x \$275/hr). The NRC staff estimates that a 50% response rate for this voluntary information collection from the approximately 2,765 materials users licensees who will be invited to participate. The burden hour estimate also assumes that the survey will take 20 minutes (0.33 hours) to complete, for each respondent. The survey will be

conducted one time during the three-year clearance period. There are no recordkeeping or storage requirements associated with this activity. See Table 1.

13. Estimate of Other Additional Costs

None.

14. Estimated Annualized Cost to the Federal Government

The estimated annualized cost to the Federal Government is \$11,384. The cost includes approximately 120 staff hours at a rate of \$275/hour over the three-year clearance period (annualized to 40 hours at \$275/hr = \$11,000), and annualized costs for survey software of approximately \$384.

15. Reasons for Change in Burden or Cost

The NRC is requesting new clearance for a voluntary survey to collect information from current materials users licensees to support decision making about small business sizing standards. This survey would result in 152 hours of burden. The NRC staff plans to use the results to identify if any changes to current small business sizing standards are necessary and appropriate.

16. Publication for Statistical Use

Not applicable.

17. Reason for Not Displaying the Expiration Date

Not applicable.

18. Exceptions to the Certification Statement

None.

TABLE 1
ANNUALIZED REPORTING BURDEN

| Section | Number of Respondents Invited | Responses per Respondent | Total Number of Responses (50% Response rate) | Burden Hours per Response | Total One-Time Reporting Burden (Hrs) | Annualized Reporting Burden | Cost at \$275/hr |
|------------------------------------|-------------------------------|--------------------------|---|---------------------------|---------------------------------------|-----------------------------|------------------|
| Individual or Households | 0 | 0.0 | 0 | 0.00 | 0 | 0 | \$0 |
| Private Sector | 2,599 | 1.0 | 1,300 | 0.33 | 429 | 143 | \$39,325 |
| State, Local, or Tribal Government | 166 | 1.0 | 83 | 0.33 | 27 | 9 | \$2,475 |
| TOTAL | 2,765 | | 1,383 | | 456 | 152 | \$41,800 |

| | |
|-------------------------|---|
| TOTAL BURDEN HOURS: | 456 hours (152 hours annualized) |
| TOTAL BURDEN HOUR COST: | \$41,800 |
| RESPONDENTS: | 461 respondents (2,765 invited respondents X 50% response rate =1,383 one-time respondents / 3 yr clearance period) |
| RESPONSES: | 461 responses (461 respondents X 1 response/respondent) |